

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 3223

(SENATE AUTHORS: HOFFMAN)

DATE	D-PG	OFFICIAL STATUS
03/24/2016	5260	Introduction and first reading Referred to Taxes

A bill for an act  
relating to taxes; sales and use; providing a small business refund for the cost  
of using a certified service provider or a certified automated system; proposing  
coding for new law in Minnesota Statutes, chapter 297A.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[297A.816] SMALL BUSINESS COLLECTION CREDIT.**

Subdivision 1. **Eligibility.** A retailer or seller that is a small business may apply  
to the commissioner for a refund for the annual cost of employing a certified service  
provider or a certified automated system to collect and remit the appropriate amount of  
sales taxes collected on their sales.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
meanings given in this subdivision.

(b) "Certified service provider" and "certified automated system" have the meanings  
given in article II of the Streamlined Sales and Use Tax Agreement, as amended through  
May 15, 2014.

(c) "Small business" means a small business as defined in section 645.445.

Subd. 3. **Application; administration.** Upon application on forms prescribed  
by the commissioner, a refund of the costs under subdivision 1 must be paid to the  
qualifying small business. The application must provide sufficient information to permit  
the commissioner to verify that the business qualifies and to document the actual costs  
incurred. An applicant may file one application per calendar year for expenses incurred in  
its latest fiscal year ending prior to the date of application.

Subd. 4. **Interest.** Interest must be paid on the refund at the rate in section  
270C.405, from 90 days after the refund claim is filed with the commissioner.

2.1            Subd. 5. **Appropriation.** The amount required to pay the refunds under this section  
2.2            is appropriated to the commissioner from the general fund.

2.3            **EFFECTIVE DATE.** This section is effective beginning with costs after June  
2.4            30, 2016.